

SMALL BUSINESS

Restaurant comes back for seconds

One year after losing its lease, Mont Blanc triumphs over hiatus and high local rents

BY LOUISE KRAMER

ON A RECENT evening, the bar was packed at Maria Lohmeyer's new restaurant in the theater district. Off-duty ushers traded Broadway gossip. A mom bought her son a birthday drink, and a group of aspiring actresses huddled near the door.

What looked perfectly normal was actually anything but. In fact, Ms. Lohmeyer calls her restaurant's mere existence the "miracle on 48th Street." Those who know the place's story are inclined to agree.

Just over a year ago, Ms. Lohmeyer's Swiss restaurant, Mont Blanc, lost its lease. A condo developer had snapped up Mont Blanc's building, putting an abrupt end to the restaurant's quarter-century run.

At the time, she vowed that she would reopen elsewhere in the area, but real estate brokers, patrons and friends all knew that the odds were overwhelmingly against her. She faced retail rents that worked out to be triple her old monthly outlay of \$7,000 for 2,000 square feet of space. What's more, the clock was ticking.

Restless clientele

WITH EACH PASSING WEEK, the risk grew exponentially that there would be nothing left of her business to save—that she would lose her once-loyal clientele.

"You can't rely on old people coming back," says Arlene Spiegel, a Manhattan-based restaurant consultant. "Whenever you have a change, especially if you've been out of business for a while, people find other places to go."

To make ends meet, Ms. Lohmeyer took a job tending bar at a friend's Restaurant Row eatery in the afternoons and evenings. She reserved mornings for scouring neighborhood streets in search of "For Rent" signs, chatting up real estate brokers and landlords, and perusing the Internet. She followed every lead doggedly, but soon discovered that every decent-sounding deal had a problem. A former Chinese restaurant, for example, was on the market for \$9,000 a month, but the space required a pricey renovation.

Ms. Lohmeyer's break came totally unexpectedly last May, when a real estate ad on the Craigslist Web site caught her eye. Although the item did not specify the exact address, Ms. Lohmeyer instantly recognized it as the site of Luxia, a restaurant she knew well. Most important, the place was across the street from her old location. In fact, she had looked at the place early on in her search but had been turned off by the restaurant owner's price: \$850,000 as a fixture fee.

SCALING MONT BLANC



NOTIFIED OF LEASE TERMINATION December 2004

LAST DAY AT OLD LOCATION Feb. 25, 2006

FOUND NEW LOCATION ONLINE September 2006

SIGNED NEW LEASE November 2006

REOPENED November 2006

OLD BEST SELLER Wiener schnitzel, \$19.50

CURRENT BEST SELLER Wiener schnitzel, \$19.95

Over the months, though, he had lowered his price at the same time that Ms. Lohmeyer had upped how much she was willing to pay. Luxia remained open throughout.

In September, she agreed to pay an undisclosed lower fee to take over the remaining nine years on the 20-year lease.

"When I added it all up, it was still the best deal," she says.

Big gamble

TO COVER THE FIXTURE FEE, Ms. Lohmeyer gambled everything she has, taking out a mortgage on her apartment in Manhattan and house in New Jersey. She signed the lease

on the morning of Nov. 1 and ended Mont Blanc's eight-month absence by taking over the kitchen that very day.

Whether it will survive is anyone's guess. The new Mont Blanc has fewer seats than the original—50, compared with 70. In addition, the kitchen is smaller and split between the main floor and basement, a setup that means Ms. Lohmeyer needs employees to serve as runners. She has 16 employees, versus 10 at the old place.

But there are also plenty of positives. Her former chef has returned, and the restaurant has a patio that can accommodate 40 diners in good weather. In addition, she hopes to appeal to the younger people who used to frequent Luxia.

Ms. Lohmeyer is trying to hold on to that crowd by retaining Luxia's popular bartender and a few favorite menu items even as she adds her Swiss specialties like fondue and Wiener schnitzel.

She saved e-mail addresses from former customers and is alerting them of her new digs. She is at the restaurant every day, greeting old patrons and welcoming new ones. So far, business has been on par with the former eatery, complete with some celebrity guests, including Stephen Sondheim.

"This is scary," she says. "I have never had so much debt in my entire life. But I have a good feeling."

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